

Message Text

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PAGE 01 LISBON 00647 252113Z

ACTION AGRE-00

INFO OCT-01 EUR-12 ISO-00 CEA-01 CIAE-00 COME-00
DODE-00 EB-08 FRB-03 H-01 INR-07 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
STR-06 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 SOE-02
OMB-01 DOE-11 /101 W
-----012499 261639Z /40

R 251606Z JAN 78

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 4512

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E.O. 11652: N/A

TAGS: EAGR, ECON, PO

SUBJECT: EXPORT ADMINISTRATION ACT

REF: STATE 16183

1. EMBASSY BELIEVES PORTUGAL WOULD HAVE VERY LITTLE OR NO INTEREST IN ESTABLISHING A COMMODITY RESERVE IN THE U.S. GOP HAS UNDERTAKEN RATHER EXTENSIVE CONSTRUCTION PROGRAM DURING THE PAST TWO YEARS TO EXPAND THE NATION'S STORAGE CAPACITY. THESE NEW FACILITIES, WHEN COMPLETED, WILL PROBABLY SUFFICE TO MEET PERCEIVED REQUIREMENTS. IN ADDITION, GOP PURCHASING AGENCIES, BECAUSE OF THE COUNTRY'S BALANCE OF PAYMENTS DIFFICULTIES, LIMIT THEIR PURCHASES/IMPORTS TO ABSOLUTE MINIMUM REQUIRED TO MEET CURRENT DEMAND. THEY HAVE CONSCIENTIOUSLY AVOIDED SPENDING FOREIGN EXCHANGE IN ORDER TO ACCUMULATE STOCKS. THIS OPERATIONAL PROCEDURE IS LIKELY TO CONTINUE FOR THE NEXT FEW YEARS, AT LEAST.

2. GOP MIGHT BE INTERESTED IN BUILDING SMALL STOCK RESERVES, AND THEREBY EXPLOIT PRICE FLUCTUATIONS, IF IT COULD UTILIZE PL-480 AND/OR CCC CREDITS TO FINANCE PURCHASES FOR THE RESERVE.

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PAGE 02 LISBON 00647 252113Z

EMBASSY WOULD APPRECIATE CLARIFICATION AS TO WHETHER PL-480 AND/OR CCC CAN BE USED IN SUCH A MANNER.

3. EMBASSY WOULD LIKE TO EXPLORE COMMODITY RESERVE QUESTION WITH APPROPRIATE GOP OFFICIALS BEFORE RESPONDING MORE DEFINITELY. IT CANNOT REALISTICALLY DO SO, HOWEVER, UNTIL A NEW PORTUGUESE GOVERNMENT, PRESENTLY IN FORMATION,

TAKES OFFICE.
OKUN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, COMMODITIES, LAW
Control Number: n/a
Copy: SINGLE
Draft Date: 25 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LISBON00647
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780039-0153
Format: TEL
From: LISBON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780125/aaaaauqd.tel
Line Count: 64
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 86cea1e0-c288-dd11-92da-001cc4696bcc
Office: ACTION AGRE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 16183
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3717770
Secure: OPEN
Status: NATIVE
Subject: EXPORT ADMINISTRATION ACT
TAGS: EAGR, ECON, PO, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/86cea1e0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
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20 Mar 2014
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